

## **§ 3560.620**

housing located on-farm may consist of individual units.

### **§ 3560.620 Construction financing.**

The requirements established in § 3560.71 apply to all applications involving on-farm labor housing loans.

### **§ 3560.621 Loan closing.**

Applicants for on-farm labor housing loans must execute an Agency-approved loan agreement. In addition, if determined appropriate by the Agency, on-farm labor housing loans made on or after the effective date of this regulation may be subject to the restrictive-use provisions as stated in § 3560.72(a)(2)(ii). All other on-farm labor housing loans are subject to the restrictive-use provisions contained in their loan documents and as outlined in subpart N of this regulation.

### **§ 3560.622 Subsequent loans.**

The requirements established in § 3560.572 apply to all applications for on-farm labor housing subsequent loans.

### **§ 3560.623 Housing management and operations.**

Borrowers with on-farm labor housing loans must:

(a) Develop and submit to the Agency a management plan in a format specified by the Agency. At a minimum, the management plan will detail the borrower's operational and occupancy policies, how the borrower will deal with resident complaints, and how repairs will be completed; and

(b) Maintain a lease or employment contract with each tenant specifying employment with the borrower as a condition for continued occupancy.

### **§ 3560.624 Occupancy restrictions.**

(a) The immediate relatives of the borrowers are ineligible occupants for on-farm labor housing.

(b) Occupants must meet the definition of a domestic farm laborer, as defined in § 3560.11.

(a) Occupancy of on-farm labor housing is restricted to employees of the borrower unless otherwise approved by the Agency.

(d) With prior written permission of the Agency, on-farm labor housing may

## **7 CFR Ch. XXXV (1–1–12 Edition)**

be occupied by ineligible tenants on a short-term basis. The permission of the Agency must also be for a limited duration.

### **§ 3560.625 Maintaining the physical asset.**

On-farm labor housing must meet state and local building and occupancy codes.

### **§ 3560.626 Affirmative Fair Housing Marketing Plan.**

On-farm labor housing must meet the requirements of § 3560.104.

### **§ 3560.627 Response to resident complaints.**

The management plan submitted in accordance with § 3560.623 (a) will include a provision for dealing with resident complaints.

### **§ 3560.628 Establishing and modifying rental charges.**

If it becomes necessary to establish or modify a shelter cost, the borrower must obtain Agency approval as specified in subpart E of this part.

### **§ 3560.629 Security deposits.**

Borrowers that require security deposits to be paid by the tenants will be required to comply with the requirements of § 3560.204.

### **§ 3560.630 Financial management.**

Financial information must be submitted in an Agency-approved format and will show operation of the housing in a non-profit manner.

### **§ 3560.631 Agency monitoring.**

A compliance review and physical inspection will be conducted by the Agency at least once every 3 years. The purpose of this review will be to inspect:

(a) Tenant eligibility documentation;

(b) Financial information on the operation and management of the labor housing, including relevant borrower financial materials;

(c) Payment of taxes, insurance and hazard insurance;

(d) Compliance with the security deposit requirements;

(e) Compliance with the operating plan;